



## State of the City Address

Presented by Mayor Jim Ruane on January 10, 2017 at Skyline College

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Good afternoon, I am Jim Ruane, the very proud Mayor of the wonderful City of San Bruno. It is my great honor to be here today to congratulate the incoming San Bruno Chamber of Commerce Board of Directors and to have this opportunity to celebrate with you some of the exciting things going on in our community. First I want to recognize my colleagues on the City Council who are all here today. Their vision and passion for the community that we have all long called home is one of the key defining strengths of our community as we continue our efforts to make San Bruno even better --- Vice Mayor Ken Ibarra, Councilmember Marty Medina, Councilmember Rico Medina and Councilmember Irene O'Connell. Thank you all for your leadership. And, I also want to recognize our other two elected officials, Carol Bonner, City Clerk who cannot be here today and John Marty, City Treasurer who is here.

Each year as I have delivered this annual State of the City address, I have been proud to reflect on our progress and on what lies ahead. Each year we have new, exciting projects and activities to discuss as our city continues to grow, change and evolve. But today I can honestly say that we really are at a turning point in the City's history where we can see the results of our hard work in recent years to set the stage for the San Bruno of the future.

I told you last year that we would begin to see our 2013 milestone Transit Corridors Specific Plan come to life with a first major mixed use project anchoring the south end of our downtown. The project was a bit delayed over the last year but 2016 did see the **San Bruno Plaza Project, at 406-418 San Mateo Avenue** move into its formal construction phase. This is a three-story, 83-residential unit with 7,000 square feet of ground floor commercial development. It's exactly the anchor we needed to jump start revitalizing the downtown by bringing more people and activity, and it should be ready for occupancy during the latter half of 2018.

We made even more progress when the existing rundown and obsolete office building at **841 San Bruno Avenue** was demolished and removed to make way for a contemporary 15,200 square foot new medical office building for a dialysis center to serve our residents and others nearby who need these services. Site improvements have started, and it should be completed toward the latter half of 2018.

In the Bayhill Office Park, this past July, City Councilmembers, staff, community members and SF Police Credit Union officials were very pleased to celebrate groundbreaking for the new three-story, 68,000 square foot **SF Police Credit Union Office** building at 1250 Grundy Lane. This office building replaces the long-vacant and previously removed TGIF restaurant building. Completion and occupancy is expected about mid-2018.

Yet another proud accomplishment for the City was completing and adopting San Bruno's first comprehensive non-motorized transportation master plan – ***The San Bruno Walk 'n Bike Plan***. Our staff applied for and received a grant to prepare the Plan, and it was done on time and within budget. It included a comprehensive public engagement effort, involving community members with online surveys; pop-up events at various locations; as well as community walks, rides and workshops. The Plan assesses existing conditions for pedestrians and bicyclists within San Bruno and recommends specific measures, including physical improvements and programs, to make walking and bicycling more safe, convenient and comfortable within our City. The City has already used the Plan to apply for grant funding to install a protected bike lane as well as pedestrian improvements on Huntington between South San Francisco's Centennial Trail and San Bruno Avenue.

The City is about to begin another similar planning effort designed to further implement our Transit Corridors Plan: a **Comprehensive Downtown Parking Management Plan**. The purpose of the Plan is to assess the area's parking needs both now and going forward as new development occurs. We want to make sure that we have adequate parking as well as to encourage other modes of transportation, including public transit, walking and bicycling. The City has successfully obtained a \$110,000 grant

through our City/County Association of Governments to prepare this Plan. We're starting on it this year, and it will be done in about 12 months. Preparation of the Plan will include a strong public involvement program including public workshops, meetings and hearings.

Additionally, the City Council has authorized \$125,000 to begin work on yet another Transit Corridors Plan implementation measure – preparation of a **Downtown Streetscape Plan for San Mateo Avenue**. This Plan will establish a design for streetscape improvements, including pavement treatments, benches, trash receptacles, light standards, landscaping and gateway features for San Mateo Avenue from Taylor Avenue/El Camino Real to San Bruno Avenue. The Plan will be used to guide developer improvements and to seek funding to complete the full range of improvements, which will enhance and transform this important San Bruno street. It will take about a year to complete the Plan and per our practice, it will strong public outreach and involvement.

At **The Shops at Tanforan**, initial planning for massive changes and improvements is underway. City representatives have been contacted recently by both representatives of QIC, the investment and development arm of an Australian pension fund that purchased The Shops and another group that has acquired other property at the mall. Both groups want to develop long-range plans to reconfigure and update their properties with smaller individual buildings and connecting walkways and plazas to bring a broader range of retailers to the center, more restaurants and office uses. Their intent is to make The Shops at Tanforan a stronger destination attraction that has a better, more direct and attractive connection to the BART station. We expect discussions to continue and possibly to begin public outreach this year.

Across El Camino Real, the **Crossing Hotel** remains firmly on the horizon despite the delay we have experienced in bringing this long-held community dream to reality. Local 2, a San Francisco based labor union challenged the City's agreement to sell property to OTO, its selected hotel developer early last year. The City prevailed in that litigation but unfortunately now faces the additional delay of an appeal. Once that challenge is cleared, and we are confident it will be, the City's approved 152-room, five-story Marriot Select Service hotel with 3,000 square feet of

meeting space will be moving forward to a groundbreaking and construction possibly as soon as this time next year.

Another very exciting proposal for positive transformation and renewal within the City's downtown and Transit Corridors Plan area is envisioned at **111 San Bruno Avenue**, the long vacant former First National Bank building at the corner of San Bruno Avenue and Huntington Avenue, and the adjacent commercial center directly across from the new Caltrain station. We expect to see that building demolished this year to make way for a proposed contemporary mixed-use complex including five stories, 60 residential units and about 8,500 square feet of ground floor commercial space. This proposed project will soon be in the City's formal review and approval process.

In another part of the Transit Corridor Plan area, the owner of the **Victory Honda Dealership** on El Camino Real is preparing plans to replace the existing facilities in response to significantly increased sales and service demands of his business. The proposed project includes a new expanded, modern five-story showroom, service center and vehicle storage complex. This project is in an early review stage and is expected to move forward for public review this year.

You have heard me mention our **Transit Corridors Plan** many times already today and before I go further, I want to pause here for a moment and comment on the Plan itself. Rather than simply waiting for the development community to find the opportunity San Bruno has to offer, and trusting that the result would be desirable to us, this city decided to define its future by developing its own Plan. The Plan takes the guesswork out of the equation for a developer who wants to know what they can build and what can be approved. With appropriate development standards already incorporated in the Plan, we have addressed most of the things that often delay projects through the review and approval process. Just last month the City was recognized by the Grand Boulevard Initiative, the regional coalition developing a unified vision for the El Camino Real Corridor through two counties at its ten year anniversary with an award for its **10 Year Legacy Visionary Plan**.

As most of you know, **YouTube** established its headquarters here in San Bruno in the Bayhill Office Park approximately 10 years ago, and now occupies about 400,000 square feet of space. YouTube continues to grow and has acquired a total of eight properties within the Bayhill Office Park to support the firm's projected space needs over the next 20 years, and now owns approximately 900,000 square feet of space at Bayhill. YouTube is currently refining its plans to improve some of the existing buildings they own to meet their immediate space needs as well as to redevelop their properties to create a more internal campus-like environment for its employees. The City will require a comprehensive approach to this proposed development through an area-wide Specific Plan so that not only YouTube interests but the interests of other property owners at Bayhill and the community generally are considered and incorporated going forward. This process is expected to start later this year, and we look forward to your participation.

After over six long years since the devastating PG&E gas pipeline explosion in 2010 in our **Crestmoor neighborhood**, the City is moving into the final phase of the complicated reconstruction of the neighborhood. Nine more of the 38 destroyed homes were rebuilt this past year, leaving just a few home sites remaining for the owners to determine how to proceed. When the rebuild is completed in late 2017, all of the above and below ground infrastructure will have been fully replaced, including completely new water and sewer lines, streets, sidewalks and streetlights.

The most exciting part of this project is replacing the small neighborhood park at Earl and Glenview directly across from the blast site. Neighborhood residents thoughtfully helped develop the design of the new **Earl/Glenview Neighborhood Park** on an expanded site that will include three of the properties where homes were destroyed. The new park will offer areas for the neighbors to gather and for all ages to play, and will support the strong neighborhood spirit, sense of connection and vibrancy that has been key to its survival and recovery. This reconstruction effort continues to require tremendous effort and patience by so many for which I am extremely appreciative. The City is absolutely committed to complete this rebuilding effort with success and to continue our efforts to ensure that this type of incident never happens again, anywhere. We will never forget the eight

souls who were so tragically ripped away from us and it is in their memory that we continue our efforts for safety and reform.

On that topic, the last year finally saw some measure of justice served in the long **criminal proceedings against PG&E** related to the explosion and fire. Working for federal prosecutors, a San Bruno Police Detective served as the lead investigator for a multi-year investigation into PG&E's violations of Pipeline Safety Act Statutes and the obstruction of justice following the explosion in San Bruno. City officials and individual victims of the tragedy watched these proceedings closely, and last August a jury convicted PG&E of five felony counts, including obstruction of justice. Sentencing by the court will occur later this month.

The Earl/Glenview Park is just one of two new parks that will be completed during the coming year, as we add beautiful new park facilities in our community for the first time in many decades. On the east side of San Bruno, this month the City will begin demolition on the property the City purchases to develop the **324 Florida Avenue Park** for the densely populated area east of El Camino. This park, funded with assistance from the San Bruno Community Foundation, will include open green space along with play areas for children of all ages. Few built out communities like ours have, or make, the opportunity to improve the community this way.

The development interest and activity that I have been mentioning is reflected in an increase in **Building Permits** we issue. Building Permit activity within San Bruno dipped during the Great Recession of 2008-09, but has been generally improving ever since. For example, permits issued for residential alterations increased from 522 in 2014-15 to 632 in 2015-16 and permits for commercial alterations increased during that same period from 95 to 99.

Every three years, the State of California updates its **building and fire codes** and the City updates its local codes to conform. Top most in our minds as we go through this process early this year will be the horrific and tragic loss of life in the recent Ghost Ship fire in Oakland. Now more than ever, it's important for us all to remember that the construction and building standards that we enforce are not there to make it more complex or costly

to build or improve our properties, but to assure that structures are safe for the people who occupy them.

And, speaking of codes, the City's **Code Enforcement program** is key to the City's efforts to ensure not only a safe environment, but to help maintain a high quality of life in our residential and business areas by eliminating visual and other blight.

I have appointed a City Council subcommittee to work with staff to develop strategies for improvement on a range of issues, including making it more clear and convenient to report code violations and ensuring timely, effective correction. As part of this process the City is working to establish an internet application whereby such violations can be communicated with photos and GPS coordinates using a smart phone, which should be completed later this year.

While I have spoken a great deal about some very exciting upcoming longer-term projects in the downtown and elsewhere, we understand that new development projects and implementation of a new Streetscape Plan in the downtown may take several years. The City is acutely aware that more immediate action through a **Downtown Improvement Plan** is needed to address some real deficiencies in parts of the downtown where some long vacant buildings have begun to deteriorate from lack of maintenance and there is a need to create an inviting presence and appearance on both public and private properties. We recently distributed a questionnaire to downtown property owners and merchants and conducted City Council discussion to identify short term measures to improve the appearance and quality of life in our downtown. Some of the results we will be working on include replacement of trash containers, landscaping in planters and news racks, additional cleaning and repair of sidewalks and code enforcement work with merchants to improve the cleanliness and appearance of their storefronts. A companion initiative is being spearheaded by the Police Department working with a County-wide Homeless Outreach Team to provide a combined effort to connect our transient population with housing resources and reduce the number of homeless individuals on City streets.

As we continue forward to build out our vision for the future of Downtown and the central business areas of our community, we need to assure that

new development pays its way and contributes to the community's needed infrastructure. The City is undertaking a comprehensive **Development Impact Fee Study** that will establish appropriate fees to be charged to new development. Similar to the City's existing park and open space fee program, the new fees will cover the development's share of the cost for new facilities and projects to assure that the City can adequately serve the new residential and business growth.

One such impact fee, our **Housing Impact Fee** has already been approved by the City Council. As we all know, our region is facing an extreme challenge in attempting to provide needed affordable housing for our citizens. Clearly, this is a very complex issue and not one that is readily solved. The City's fee program, which becomes effective next month, establishes a \$25-27 per square foot fee for residential and a \$6.25-\$12.50 per square foot fee for non-residential development projects to help address this issue. The fees will be placed into a segregated fund to use only for affordable housing. Using these funds, the City could partner with a non-profit developer to build affordable housing, contribute to a market rate housing project to include more affordable units than might otherwise be required, or refurbish existing affordable housing units.

Of course, none of this would be possible if the City Council did not make it a high priority to invest in developing and maintaining a reliable infrastructure that has the necessary capacity and is capable of meeting the modern needs of its residents and businesses. We all want to live comfortably and sleep soundly at night knowing that our infrastructure system is able to store and deliver enough high quality drinking water to meet our needs whenever we turn on a faucet, and that it's able to supply enough water on demand to put out even the largest fire – God forbid that we ever experience that again. Although our systems are largely out of sight underground, they are not out of mind. When we flush the toilet or unstop the bathtub we want to be sure the water goes away safely, that it's treated properly, and that it does not flow into our streets.

We are about 6 years into our 20 year **infrastructure replacement and rehabilitation plan** and we are making great progress. Once again in 2017 the City Council will need to consider setting new water and sewer service rates for the next 3-5 year period. We are looking carefully at all



alternatives to contain and minimize costs for ratepayers while assuring that we can maintain the aggressive pace of our rehabilitation program that we have promised and are delivering. While these projects are expensive, we know that without them, the City could not move into the 21<sup>st</sup> century.

For example, we replaced and upgraded the **Glenview Water Tank**, which was over 60 years old and so badly deteriorated that it could only store half of its intended capacity. The project was completed \$600,000 under budget, which can be redirected to another critical project.

The 1961 vintage **Olympic Wastewater Pump Station** was also reconstructed last year to avoid future overflows and dramatically improve safety. This project was also completed under budget.

Along San Bruno Avenue, work on the **Trenton Sewer Replacement** has just begun to replace the failing sewer main line that runs behind homes on Trenton Drive. Similarly, the **Jenevein Avenue Sewer Replacement project** is installing new upsized pipeline along Jenevein from Cherry Avenue to Acacia Avenue. These projects will be completed over the next 6 months, giving our residents the peace of mind they deserve.

We have three more major infrastructure facilities in line for replacement: the **Spyglass Water Pump Station** which will be under construction this year, followed by the **Crestmoor and Lomita wastewater pump stations** that are currently under design.

One critical pipeline replacement project that you will all doubtless notice this year will be our replacement of both the water and sewer main lines in San Mateo Avenue between Kains and El Camino. This pipeline is old and deteriorated, and we have experienced a number of failures that make this **San Mateo Avenue Water and Sewer Replacement Project** a very high priority. We will be holding public meetings over the next month to inform and to hear from businesses and property owners as well as residents about how we can minimize the inevitable impacts of this major construction which will include closing traffic lanes, eliminating on street parking during daytime hours as well as noise and dust. Please join the conversation to help us make this improvement with the minimal amount of disruption to our businesses as possible. And please tell all of your friends and neighbors to continue patronizing all of the downtown businesses during construction.

I won't go through all the details of every project but as you see on the map the City will be replacing many old water and sewer pipelines in neighborhoods east of El Camino Real. One large area of water and sewer replacement is bounded within San Mateo Avenue, Huntington Avenue, Taylor Avenue and Florida Avenue. This project is currently under design and estimated to cost about \$10,600,000.

One other important initiative for the 21<sup>st</sup> century and beyond is the City's project to install **Fiber to the Home** at Shelter Creek. San Bruno Cable already operates direct fiber optic feeds to several Bayhill Office Park businesses. Over one hundred new subscribers at Shelter Creek have joined San Bruno Cable, and we look forward to that trend continuing as we finish connecting each of the almost 1,300 individual dwelling units. Our staff will be evaluating the project costs to determine if we can move further to deploy high speed fiber optics to other residential areas of the community.

San Bruno has a strong reputation as a great, safe place to be where people know their neighbors and they share a confidence in their safety and security. The City's broad range of **Community Service programs** including sports and recreational program activities, our services for families and children at our Recreation Center, our support to the educational achievement of our students through the San Bruno Public Library and our Senior programs all contribute to what we all appreciate and are proud of about this community.

**Community safety** is another key element of our identity and pride. In addition to working with youth through our Recreation services, our San Bruno Police Department's work with young people has increased our Police Explorer ranks from eight to twenty-two in the last year. Explorers between the ages of fourteen and twenty-one regularly help out in the office and at special events throughout the city.

Doing good solid Police work, San Bruno Detectives were instrumental in identifying and arresting a team of three persons for residential burglaries in San Bruno and throughout the Bay Area between October, 2015 and January, 2016. One of the subjects was sentenced to over twenty-three years and another to over eight years in prison. Overall, residential

burglaries have decreased in San Bruno by over 48% in the last six months. The City Council understands the importance of engaging neighbors in community safety, and the City continues to grow the number of Neighborhood Watch Groups to over twenty throughout the City. Community outreach events and programs, including Police Day at the Mall, National Night Out, and Coffee with a Cop have been extremely successful.

I hope most of you were able to join us last June at the third annual **Community Day in the Park** event. This wonderful community gathering in our beautiful City Park is a special opportunity for us to connect and to celebrate our community. We thank the San Bruno Community Foundation for their commitment of funding so that this remains an annual event, and the several community sponsors who have joined the Foundation with funding. Again this year we will coordinate the event with the annual Posy Parade. June 4, 2017 is this year's date and we look forward to a turnout even larger than the 2,000 that we have seen in past years!

After all of this, I have deliberately saved the most exciting City initiative for last. Picking up on the work previously done through the San Bruno Community Foundation's Listening Campaign to identify community needs and interests for expenditure of the PG&E restitution funds, the City is completing a **Community Facilities Vision Plan**. The Plan is intended to identify the community's specific priority from among several community facilities that the Listening Campaign identified as community needs. Development of the Plan involved extensive public outreach and discussion over the past six months through community forums, an on-line survey and pop-up event to determine the community's highest priority among several needed community facilities; a new recreation center, a new library, a new all season swimming pool and a community center. While the restitution funds available will not reach far enough to fund all of these needs and may only allow us to build one new facility, this is truly an unprecedented opportunity for our community to create a new modern facility that will serve our community long into the future. In February the City Council will receive a report that distills the community input to support a decision to move forward on design and development of a signature, state of the art facility for generations of San Bruno residents to enjoy.

**In closing**, as I said at the outset, this is a particularly rewarding, dynamic and transformative period in our community's history! Throughout our challenges, we have stood together, worked together, and, now, based on those many collective efforts, together we are beginning to enjoy revitalization and renewal.

I am extremely proud of our collective efforts to work through the past challenges of the dot-com bust of the early 2000's; the Great Recession of 2008-09; the heartbreaking and tragic PG&E gas line explosion and fire of 2010; and, the dissolution of our Redevelopment Agency in October of 2011 by the State of California. The nature of each of these challenges was very different; however, each one individually and collectively had a significant impact on our community and required focused and effective responses, tough choices, and a need to cut a determined path to ensure resiliency and the protection of our community interests.

I want to personally thank my City Council colleagues, our City Manager, staff, and our incredible community members for their hard work, vision, sacrifice, dedication and perseverance to making San Bruno even better. Now is the time for us all to go forward together. Let's make the most of the opportunities that our past hard work affords to us as we stride confidently into the future.

Thank you.